

MINUTES

of the

COUNCIL OF THE COUNTY OF MAUI

June 22, 2015

THE SPECIAL MEETING OF THE COUNCIL OF THE COUNTY OF MAUI, STATE OF HAWAII, WAS HELD IN THE COUNCIL CHAMBER, KALANA O MAUI BUILDING, WAILUKU, HAWAII, ON MONDAY, JUNE 22, 2015, BEGINNING AT 9:05 A.M., WITH CHAIR MICHAEL B. WHITE PRESIDING.

CHAIR WHITE: This meeting of the Maui County Council will please come to order. Members, this is a special meeting to consider whether or not to override the Mayor's veto of certain portions of the 2016 Budget.

Mr. Clerk, will you please call the roll.

ROLL CALL

PRESENT: COUNCILMEMBERS ELEANORA COCHRAN, DONALD G. COUCH JR., S. STACY CRIVELLO, G. RIKI HOKAMA, MICHAEL P. VICTORINO, VICE-CHAIR DONALD S. GUZMAN, AND CHAIR MICHAEL B. WHITE.

EXCUSED: COUNCILMEMBERS GLADYS C. BAISA AND ROBERT CARROLL.

DEPUTY COUNTY CLERK JOSIAH K. NISHITA: Mr. Chair, there are seven Members present and two Members "excused". A quorum is present to conduct the business of the Council.

CHAIR WHITE: Thank you.

Will you all please rise and join me in the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

The Members of the Council, and others in attendance, rose and recited the Pledge of Allegiance.

CHAIR WHITE: And just a, the normal reminder to please silence your cellphones and other noisemaking devices. Mr. Clerk, please proceed.

DEPUTY COUNTY CLERK: Mr. Chair, proceeding with the presentation of testimony on agenda items. We have established limited telephone interactive communication that enables individuals from Hana, Lanai, and Molokai to provide testimony from our District Offices.

Individuals who wish to offer testimony from Hana, Lanai, and Molokai, should now sign up with District Office staff. Individuals who wish to offer testimony in the chamber, please sign up at the desk located in the eighth floor lobby just outside the chamber door. Testimony at all locations is limited to the items listed on today's agenda.

Pursuant to the Rules of the Council, each testifier may be allowed to testify for up to three minutes. When testifying, please state your name and the name of any organization you represent.

Hana Office, please identify yourself and introduce your first testifier.

MS. DAWN LONO: Good morning, Chair. This is Dawn Lono at the Hana Office and there is no one waiting to testify.

DEPUTY COUNTY CLERK: Thank you.

Lanai Office, please identify yourself and introduce your first testifier.

MS. DENISE FERNANDEZ: Good morning, Chair. This is Denise Fernandez on Lanai and there is no one waiting to testify.

DEPUTY COUNTY CLERK: Thank you.

Molokai Office, please identify yourself and introduce your first testifier.

MS. ELLA ALCON: Good morning, Chair. This is Ella Alcon on Molokai and there is no one here waiting to testify.

DEPUTY COUNTY CLERK: Thank you.

Mr. Chair, we have four individuals who have signed up to testify in the Council chamber. The first person to testify in the chamber is Christopher Fishkin. He will be followed by Eric Poulsen.

CHAIR WHITE: Good morning.

PRESENTATION OF WRITTEN OR ORAL TESTIMONY

MR. CHRISTOPHER FISHKIN:

Good morning. Good morning, Councilmembers. My name is Christopher Fishkin. I am here this morning to testify regarding Mayor Arakawa's line item veto of the Council's attempts to restrict the Administration from transferring funds from one program to another without a Council resolution adopted by ordinance in the public view.

Councilmember Hokama, you have raised issues of trust and have spoken of the need for transparency in our County government. Councilmember White, your public statements have given the citizens of Maui further reason for mistrust of County officials.

Council, the Council has knowledge of expenditures by County public officials that were not approved by the Council, and, I quote Councilmember White, "even denied by the Council" upwards of two million dollars.

In accordance with the Maui County Charter, the budget process is a public process. The citizens have the right to know which department, and which individuals, are responsible for these unauthorized expenditures. I believe it is fair to ask the Council to disclose this information today. Further, the citizens of Maui County would like to know at what point did Pat Wong and Corporation Counsel become aware of these violations? And, have they advised the Council to enforce Sections 9-12 and Section 13-10 of the Maui County Charter.

Very often, too many times, and for too many years, the burden of holding this County's public officials responsible for their misdeeds have been unfairly placed upon the citizens of Maui County. While we applaud the Council's efforts to help secure accountability through this piece of legislation, as our entrusted elected officials, we feel you are also obligated to exert your power and authority to enforce the Charter, disclose the perpetrators and adopt the appropriate punishment for the violations you have discovered.

Clearly, another rule, in and of itself, is not going to prevent further violations without proper enforcement and penalty. Director Goode is concerned about penalties that could result from necessary emergency expenditures while apparently unconcerned about the penalties for his departments own, already, unlawful expenditures.

I am presuming that Pat Wong and Corporation Counsel also clearly supports the Mayor's veto and Director Goode's public statements, both of which draw legal conclusions. And, so should they even be here at the Council, with the Council at this hearing? This is a perfect example of why the Council must have its own legal counsel.

Citizens of Maui County request that you please disclose to the public, at this meeting today, the public officials that you have discovered to be in violation of the Maui County Charter.

And, please inform us as to whether Corporation Counsel has advised both Director Goode and the Mayor to veto the Council's provision requiring an adopted ordinance, by Council, to transfer funds from one program and account to another.

How long is Pat Wong and Corporation Counsel going to continue to preclude transparency of County officials and prevent the Council from doing their job for the citizens of Maui County? Thank you.

CHAIR WHITE: Thank you.

Members, any clarification need, needed for the testifier? Seeing none, thank you for being here this morning.

MR. FISHKIN: Thank you.

CHAIR WHITE: Mr. Clerk.

DEPUTY COUNTY CLERK: The next person to testify is Eric Poulsen. He will be followed by Carmelita Tagorda.

MR. ERIC POULSEN:

Aloha, Mr. Chair, good morning.

CHAIR WHITE: Good morning.

MR. POULSEN: Good morning, Councilmembers. My name is Eric Poulsen. I have lived on West Maui for 22 years.

I am currently enjoying a three-day, Father's Day weekend to testify regarding Mayor Arakawa's recent line item veto of this Council's attempt to restrict the Administration from moving public funds from one program to another without first getting our permission.

My six-year-old son played his first season of Little League this year. After a few games, I began to wonder why on earth the facilities were in such very poor condition. I be, the more I began to dig, the stranger things got. Primarily, the lack of information that is readily available to a concerned citizen of West Maui. I was hoping to find out how much money is in the fund, where the money is being spent, and the way the fund gets replenished.

At this point, I have come to understand that all new subdivisions must pay a park fee in the tens of thousands of dollars or donate park land for public use. I can assure you when I drive home today from this meeting, I will go through our tunnel and pass all of the supposed agricultural subdivisions: Ukumehame, Olowalu, Launiupoko, Puunoa. I know that many of my son's teammates, and my friends, live in these subdivisions and share our substandard recreation facilities. I also know that the very first park I will see on my way home is in South Lahaina, very near my home. This begs the question, if there aren't parks, where is the money?

I've tried for over a month to obtain this information from the Administration. Specifically, what are the current park fees for a developed lot?

Do all subdivisions and all new permitted homes pay their fair share? Or is there exemptions for the developers to manipulate?

Has any money from the park fund been shifted to unauthorized expenditures? If so, how much?

Who can I contact on this Council to obtain this information, because surely it is not being made available in the department.

I will also hope that whomever you direct me to will not be influenced by an office that seems to have the "Midas Touch" every time they go to Vegas. I would have a very hard time trusting someone who claims they have won over a million dollars in the last thirty months and still goes to work for our County. I believe that more light should be brought to Mr. Wong's financial affairs. Exactly like the budget violations that have happened, and are probably being planned to continue, something just does not add up. Thank you.

CHAIR WHITE: Thank you for your testimony.

Members, any need for clarification? Seeing none, thank you for being here. And, to your question of who you can contact, you can contact Ms. Cochran's office or you can contact my office for that information.

MR. POULSEN: Thank you very much, sir. I'll be in touch.

CHAIR WHITE: Mr. Clerk.

DEPUTY COUNTY CLERK: The next person to testify is Carmelita Tagorda. She will be followed by Rosemary Robbins.

MS. CARMELITA TAGORDA:

Good morning.

CHAIR WHITE: Good morning. Would you please pull the microphone down?

COUNCILMEMBER VICTORINO: Push the mic down.

MS. TAGORDA: Good morning. My name is Carmelita Tagorda. I, I support what you are doing, Councilmembers. And, it's really good that, you know, you are asking to veto the Mayor's, to, you're asking to, you know, your attempt to restrict the Administration from transferring funds from one program to another.

Four or five years ago, four of five years ago, I was trying to submit my proposal to subcontract the Immigrant Services of the County of Maui. The budget at that time

was over \$300,000. And, I was proposing a budget of 90 to 100,000 to cut down the, the budget at that time.

I met with the Director to discuss my proposal at the time, and nobody returned, nobody called me back. And, as someone who works or handles immigration cases for the last 30 years, I know what it takes to help those in need for that service.

Rent, at that time, that they were paying was \$70,000 a month for that little space for Immigrant Services. During my search for the immigrant, during my search for the budget, I noticed a lot of questionable expenses. I didn't know who to go and ask. I was asking for more details of the budget for the Immigrant Services and I was sent through channels. I have to do these, I have to do that before I can get, you know, get those informations.

Three hundred thousand budget is not only used by Immigrant Services, I notice on one of my search. And, it was used by another department. And, I said to myself, how is that. So, that's why I'm testifying today that, you know, funds, transferring funds from one program to another without a Council resolution, you know, should be approved by the Council. Thank you.

CHAIR WHITE: Thank you.

Members, any need for clarification? Seeing none, thank you for being here this morning.

Mr. Clerk.

DEPUTY COUNTY CLERK: Next person to testify is Rosemary Robbins. Ms. Robbins is the last individual who has signed up to testify in the Council chamber.

MS. ROSEMARY ROBBINS:

Good morning, everybody.

CHAIR WHITE: Good morning.

MS. ROBBINS: Last week there was testimony given at this microphone and one of the interrogative declarations was, where's the plan. We're talking about an issue this morning that's reflecting program planning and budgeting. If there isn't a plan, how can there be a realistic budget? Plans need to have oversight, somebody who worked on the water situation with Federal money coming in here for oversight,

realize that the Federal money got given to the County. How it got expended was not clear to the people on the oversight committee because when we would ask for information, it wasn't available.

When we talk about the plan, we also need to talk about the budgeting and take a look at the debt that we're in right now. Both of those are aspects of functioning, corporations, otherwise, entities, that, where they fall apart, if they don't have the due planning last week. Also, here, we had an item on the agenda that said that there was a failure of written data from how the shore was used, I think it was in Kihei, for running businesses down there on the shoreline. And where they covered under this item or that under that item, when they looked it up, there was insufficient data collections on paper.

We're seeing over the weekend that it's international hackers, reportedly, that are causing problems with records disappearing. Folks, we need to be able to have clear planning done. It needs to be comprehensive. It needs to be under conditions of oversight where things aren't going to get lost. And, we can't make those plans if we can't be realistic about the money and, otherwise, assets, resources that have to be put to it to have that come under just one section of our multi-section democratic process in this republic of the U.S. Something is terribly wrong with that. So, let's make sure that the veto is overridden, at least at this point in time. Let's clean up the act in terms of comprehensive planning and realistic budgeting with loads of room for improvement. Let's improve. Thank you.

CHAIR WHITE: Thank you.

Members, any need for clarification? Seeing none, thank you for being here this morning.

MS. ROBBINS: You're welcome.

CHAIR WHITE: Mr. Clerk.

DEPUTY COUNTY CLERK: Mr. Chair, there are no further individuals signed up to testify in the Council chamber.

If there are any additional individuals in the Council chamber or at the District Offices who would like to offer testimony, please identify yourself to the appropriate staff and proceed to the testimony lectern or District Office phone at this time.

Hana Office, are there any additional testifiers?

MS. LONO: The Hana Office has no one waiting to testify.

DEPUTY COUNTY CLERK: Thank you.

Lanai Office, are there any additional testifiers?

MS. FERNANDEZ: There is no one waiting to testify on Lanai.

DEPUTY COUNTY CLERK: Thank you.

Molokai Office, are there any additional testifiers?

MS. ALCON: There is no one here on Molokai waiting to testify.

DEPUTY COUNTY CLERK: Thank you.

Mr. Chair, there are no other individuals in the District Offices nor the chamber who wish to offer testimony.

CHAIR WHITE: Thank you, Mr. Clerk. Have we received any written testimony?

DEPUTY COUNTY CLERK: Mr. Chair, we have received written testimony.

CHAIR WHITE: Okay. Members, without objection, we'll enter the testimony to, for the record.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Thank you.

THERE BEING NO OBJECTION, WRITTEN TESTIMONY
RECEIVED FROM THE FOLLOWING WERE MADE A PART
OF THE RECORD OF THIS MEETING:

1. Christopher Fishkin; and
2. Eric Poulsen.

CHAIR WHITE: And, without objections, we will close public testimony.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Okay. Thank you.

Mr. Clerk proceed.

DEPUTY COUNTY CLERK: Mr. Chair, proceeding with county communications.

COUNTY COMMUNICATIONS

NO. 15-187 - ALAN M. ARAKAWA, MAYOR,
(dated June 12, 2015)

Transmitting Bill No. 38 (2015), Draft 1, entitled "A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET FOR THE COUNTY OF MAUI FOR THE FISCAL YEAR JULY 1, 2015 TO JUNE 30, 2016", and notifying of his veto of items or portions thereof.

The Council is in receipt of a letter from the Mayor dated June 12, 2015 addressed to:

Mr. Danny A. Mateo
County Clerk
200 South High Street, Room 708
Wailuku, Hawaii 96793

The letter states:

Dear Mr. Mateo:

The Council of the County of Maui passed Bill No. 38 (2015), ("Fiscal Year 2016 Budget"), relating to the Fiscal Year 2016 annual budget on second and final reading on Friday, June 5, 2015. In adopting the County's annual budget, there are items that, pursuant to Section 4-3(2) of the Revised Charter of the County of Maui (1983), as amended, I object to. The following provides the statement of the items or portions thereof, to which I object and the reasons therefor:

- 1) As it pertains to Section 7, General Budget Provisions, Appendix A – Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds, and Appendix C.

I object to the restriction imposed by the language added to Section 7 of the General Budget Provisions. Specifically, the binding policy statement to restrict disbursements from each program by category of use; provided that the disbursement is within the program and category of use for which it was appropriated, as set forth in Appendix C (attached hereto and made a part hereof); and further provided that any transfer from one program to another or one category of use to another shall be authorized by Council resolution, and any transfer from one department to another shall be authorized by ordinance.

This is an antiquated and inefficient policy, which, if my memory serves me right, the Council under Goro Hokama's leadership abandoned two decades ago when then-Mayor Linda Lingle decided to move to program-based budgeting. The provisions as outlined in this section create unnecessary paperwork and extremely cumbersome process that could even impact public safety in the event of an emergency. The type of congestion these restrictions would create in the day-to-day operations of each County department is exactly the reason that the County moved away from this obsolete practice 20 years ago. Furthermore, this outdated method is not considered a best-practices approach to budgeting by the Government Finance Officers Association (GFOA). We already utilize modernized software that allows Councilmembers updated reporting on how each department's funding is being spent. For these reasons, and because I believe in moving our County forward, not backward, I am vetoing this portion of the FY 2016 budget.

Other items that I have concerns with but will not object to with a veto are the lack of support that this council has provided to the long-term improvement programs that were developed in the Department of Parks and Recreation and Water Supply. The administration has developed detailed plans to address the community concerns and needs but without the financial and personnel support from council these improvements will not be appropriately implemented and will likely result in increased complaints. By deferring and delaying these programs, long-term challenges are exponentially increased and economic benefits will not be realized.

The water plan we presented as part of the FY 2015 budget was part of a long-term strategic plan that balanced infrastructure needs against rates and fees. The combination taken by the Council to reduce the fees and add millions of dollars in an unspecified plan is not consistent with any long-term strategy that we know of and may further exacerbate the water challenges in various communities.

In addition, by not adequately addressing equipment replacements such as vehicles in this year's budget, the needs continue to exist and will have to be addressed in the future at an escalated cost. By only putting in half of the required funding for the KIVA replacement, we are delaying replacement of a system that is no longer supported and is depended on by not only many county departments, but also developers and the community in general.

Sincerely,

ALAN M. ARAKAWA
Mayor

CHAIR WHITE: Thank you, Mr. Clerk.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Thank you, Chairman.

AT THIS TIME, I MOVE TO OVERRIDE THE MAYOR'S
VETOES OF ALL ITEMS OR PORTIONS THEREOF
STRICKEN FROM BILL 38, DRAFT 1, ACCOMPANYING THE
MAYOR'S VETO MESSAGE DATED JUNE 12, 2015.

COUNCILMEMBER VICTORINO:

SECOND, MR. CHAIR.

CHAIR WHITE: We have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Thank you, Chairman. First, I would like to note that approval of this motion, as pursuant to the Section 4-3 of the Revised Charter of the County of Maui, as amended, requires a two-third vote of our entire membership of this body to override the veto of the Mayor.

So, as read by the Clerk, Mr. Chairman, the Mayor vetoes of, vetoes of portions of Bill 38 as related to the Council's decision to impose restrictions under disbursement of appropriations in the budget.

I find it interesting, you know, as the Mayor states, the Charter show, does the Council. And, under Section 9-7.1 of our Charter, "Any condition, limitation or restriction to be controlled by the Council with respect to the disbursement of any appropriation shall be set forth in the budget or in the capital program as the case may be." That is exactly what your Council has done.

Your Committee has worked diligently to bring fiscal discipline and increased accountability to the Fiscal Year 2016 Budget, Mr. Chairman. The General Budget Provisions contained in the budget bill provide binding policies, statements, and principles, to implement the budget.

Your Council revised Section 7 of the General Budget Provisions to restrict disbursements for each program by category of use with allocations specified for: (a) salaries, premium pay, or reallocation pay, as "A" category, (b) operations or services, as the "B" category, or and (c) equipment for the "C" category.

The items or portions that were stricken by the Mayor from Appendix A, Part II, Special Purpose Revenues, and Appendix C, relate this restrictions on disbursements.

Also, Mr. Chairman, Section 9-10 of the Charter already requires that an unencumbered appropriation balance be transferred within a department by resolution, and may be transferred from one department to another by ordinance.

Effective July 1, 2015, Section 7, as revised, also requires that transfers between categories of use be authorized by resolution.

When he proposed his Fiscal Year 2016 Budget, the Mayor provided the Council with a booklet entitled, "FISCAL YEAR 2016, MAYOR'S BUDGET PROPOSAL", which already reflected the appropriation he was seeking by category of use. Budget details were also provided in this format.

The Council is not asking the Administration to now start from scratch, but rather, your Council is holding the Administration's feet to the proverbial fire by requiring spending be consistent with the purpose of the appropriation.

And, again, Mr. Chairman, in common man's language that our State Constitution requires, it means that the Administration submits to your Committee their budget in an "A", "B", "C" format already.

Recent concerns raised in the media about possible financial improprieties by Administration personnel, right here in Wailuku, have heightened the need of public scrutiny and legislative oversight. "A", "B", "C" restrictions are one means of increasing the accountability that appears to be needed.

Since the departments have routinely exercised flexibility with their budgets, despite the purpose for which the appropriation was made, I'm fully aware that some adjustments may be needed.

I appreciate the willingness and the cooperation of Budget Director Baz in working with your Committee Chair and staff to implement a more accountable and transparent budget, excuse me. Therefore, to expedite considerations of amendments to the Fiscal Year 2016 Budget, I have established, in your Budget and Finance Committee, an item, which will allow for the direct referral of such requests from the Administration. And, I have also committed to scheduling such requests on a very efficient and timely basis as needed.

In addition, Members, I'm committed to a review of the "A", "B", "C" restrictions six month into the Fiscal Year 2016 to further evaluate the effectiveness and the Administration's compliance with this restrictions.

The Mayor contends the work involved in complying with this restrictions could impact public safety in the event of an emergency. To the contrary, Mr. Chairman, Charter Sections 4-2.6, as well as 9-9.2 specifically provide for the Council to authorize emergency appropriations when needed. And, specifically, Chairman, the Charter has its in language. We can conduct emergency meetings without posting and we can also conduct it through telephone communications for immediate decision-making that impacts this County under emergency situations. So, we already have by our forefathers and foremothers of the County take into account emergency situations for decades by the Charter.

In his Viewpoint published in the Maui News on June 17, the Mayor states it would be simply impossible to follow the County policy to promote economy, efficiency, and improve service in the transaction of the public business if these restrictions on disbursements of appropriation remain in the budget. The Mayor states these restrictions are redundant.

If the Mayor was already adhering to a policy of spending appropriations made for operations only on appropriations, appropriations made for salaries only on salaries, and appropriations made for equipment only on equipment, then perhaps the Mayor has a point. This is not what has been happening. The restrictions were imposed

because of a lack of accountability or confidence that appropriations would be spent for the uses represented by the Mayor or his representatives absent of such restrictions.

The Mayor states that this Council should follow the law. As reflected in Charter Section 9-7.1, your Council is doing just that. The Council is not trying to manage the budget, Mr. Chairman. Rather, the Council is exercising its authority and in, in, and indeed its duty to our people to set the budget in a responsible and transparent manner.

You know, three things that the people have come to talk to me about, Mr. Chairman, we've talked about two of them, which is transparency and accountability. A third point that the taxpayers and residents of this County also have a concern and demand is performance. The ability to perform in the public's and community's best interest.

Therefore, for these reasons, Mr. Chairman, I would ask you and our, my fellow Members to fully support the motion to override, in its entirety, the Mayor's veto. Thank you.

CHAIR WHITE: Thank you, Mr. Hokama.

Members, any other comments, discussion?

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, I wanted to just mention to anybody who came up and, and heard the testimony and who testified that, that this doesn't, you know, the, the transfer between programs is already against the Charter and against the budget. What this particular item we're talking about here is within a program transferring between categories.

And as we know, budget is a plan and none of us are perfect in our planning. And, sometimes we may not plan for enough emergencies or we, we may not plan for a vehicle that breaks down that we can't replace, so, to be able to move things between "A", "B", and "C" categories within the same program. It is already illegal to move between programs, and, and believe you me if we ever found any of that, I'm sure this whole Council would wholeheartedly and a hundred percent go after that if there is something between programs that shifted between programs that was not suppose, that didn't come through here. I don't think there's a, an issue there.

But, and you know, we, then that brings up the whole improprieties thing. The things that, at least from what I hear on the news cause we haven't gotten any information yet through this body, is that equipment was bought with equipment accounts. So, this "A", "B", "C" restrictions would have no effect on what's going on, on that one issue.

As far as emergencies, yes we do have emergency capability. However, you know, how with the Sunshine Law and everything, and even if we get everything set up, framework, it's going to be six or seven days at minimum before we do any, we can act on any of these emergencies. Even if we call on an immediate meeting, we still have to do some sort of posting and we still have to do a Committee and then Council. So, it's going to be, it would be very tight.

My thought on an emergency, and we have Mr. Goode come up and talk to us to say Friday night we got a flood warning for over the weekend, and especially maybe a three day weekend which we've had. And it happens quite a bit, usually in the winter but sometimes towards the end of the fiscal year. If, if Mr. Goode feels like he's in trouble with his budget, he's getting close to the overtime, is he able to exceed his overtime pay Friday night to have everybody help clean up the gulches and, and do whatever it is to prepare for a big storm? I don't know. That's, that's something that maybe we can come, you know, if this passes, that something we can come up with to allow him to do something like that, or the police, or whom, whomever. You know, it's one of those situations where it's hard to say. You can't plan for emergencies.

The other question is, again, within this program, we're restricted, we're going to change to restrict the categories for purposes that you want to call accountability, which is understandable. But, my next question is where do we go from here? If we say, okay, we're going to restrict here and now do we restrict within the category saying you got to, you can only spend this much on professional services or you can't move that around? I don't know how far down we want to go. The fact that we're here kind of is, is, I think, over the edge of micromanaging, but some people say it's not. So, you know, that's up for argument.

As far as transparency, we all have, now access, thanks to you, to IFAS. We can all go into IFAS and see whatever we want, whenever we want. So, it's very transparent.

The thing that bothers me a little bit is that, you know, other than Mr. Goode, no other Director came up to talk about this, you know. And, and, while I understand Mr. Goode's concerns and I empathize with him and I think other departments maybe Police and Fire especially, may have those same issues, nobody else came up to

testify. So, that gives me a reason to pause a little bit. You know, I'm just trying to do this as a, as a most efficient way we can here as a Council.

And I, as you know, I've been against the, the language from the beginning to the point where I actually had to vote no on both budget items. But, you know, while directors have come to me and, in private, and said you know, this, this is very restrictive and might hurt us, only Mr. Goode came up and, and testified to us. So, I don't know how many directors have gone to other Members and talked about it. I just have to go by with what I've been talked about.

So, I do put that on the Administration that they didn't come up. They didn't testify except, again, for Mr. Goode which, and he has some very strong arguments. But, I don't know, if this were me trying to do something like this to run a organization and not be able to move between categories, not programs again, but between categories, and there's a huge distinction.

I'm okay with it. It's just going to bring a lot more work here and I really appreciate Mr. Hokama saying he's willing to look, look it up again or, you know, go over it and review it in six months. So, I don't know. Mr. Hokama has brought up some, some good points so I'm going to have to really think about this a little bit more. Thank you.

CHAIR WHITE: Thank you.

Members, other comments?

Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Chair. I won't be so long with a dissertation and so eloquent with my wording so I'll make this really brief. First of all, we've discussed this matter, we voted on this matter so many times, what two or three times at least. I, I don't see what the difference would, what the different of the outcome will be today versus the other votes.

Secondly, we went through first and second reading. We had Mr. Baz here. He discussed a lot of pros and cons, but he felt it was workable. And, I have not heard a great deal of outcry from the department heads. In fact, to be perfectly honest, only two department heads came to me with their concerns. And, yet, both of them admit, okay, we can, I think it can be worked out. And, as I said to you Mr. Chair, this is a test for all of us.

You said, Mr. Hokama has said, and others said, we will do whenever needed, whenever it's possible to get it done immediately, have special meetings, and whatever was the concern, whatever the emergency was. We've been blessed in this County, knock on wood, we've had not too many major disasters over the number of years that I've been on this Council, and I hope it continues that way.

I know I have heard outcries of people saying you've spent so much time and money getting ready for the emergency and nothing's happened, nothing happens. And, I said thank God. I'd rather have nothing happen than have a disaster and then really find out how prepared we were.

The other thing is I've heard no public outcry; a few testifiers today, a few emails, I think two emails. I mean, in my mind, again, the public thinks this may not be a bad idea. People I talked to on the streets, I was at a Father's Day dinner last night, a number of people that said, yes, it's time for accountability; not just this Administration, but for many years in the past, there's been a lot of questions. So, with that in mind, I can be comfortable in overriding this veto.

I have talked to the Administration. I've, you know, and I've gotten everybody's take on it. I have no qualms. I've done my homework. I'm prepared to vote and I have no qualms in my vote. Thank you, Mr. Chair.

CHAIR WHITE: Thank you, Mr. Victorino.

Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you, Chair. And, just from the start, I am in support of this and I have been since our deliberations through our budget. And, you know, I first of all appreciate Mr. Hokama, already anticipating concerns with Administration and going to Director Baz and saying, you know, let's work out something to expedite things just in case and, so I appreciate that.

And the two departments who stated concerns are the direct departments that fall into my kuleana in my Committee of IEM; that would be Director Goode of Public Works and there was some testimony during deliberations with, I think, Department of Environmental Management had come up. So, I, you know, spoke, tried to get a little more meetings with them to hear out their issues and concerns. I didn't get any further details. But, the point is because, and I'm open and willing to expedite and, and assist in however, you know, I can in relation to Mr. Hokama, and Baz, and whoever. So I can confidently say because it's directly in my kuleana, in particular those two departments, I am always willing to assist and move things forward.

And, as in regards to, to Mr. Couch's point where, you know, what if there's a, you know, something coming, emergency, and they have to go spend overtime on cleaning up gulches to, in preparation. Personally, that is why I added more labor and equipment in West Maui, to address these things that have been unfortunately neglected due to shortages of, of staff and, you know, labor.

So, now they can be ahead of the ball. So, there's no let's hurry up and clamor and get to, you know, clean up these gulches cause oh my God there's something coming possibly. No, we are prepared at every given moment. There is no, let's spend a bunch of overtime to do this. So, that's where I purposely, you know, and all of you supported and I thank you very much, to get the adequate amount of, of workers and equipment in order to address these things. So, we're not scrambling at, you know, doomsday, you know, final hour of who knows what's coming. So, I'm, I'm really confident that, you know, we're, we're on top of stuff like that.

And, the comments about not, of restricting departments, as Mr. Hokama stated, you know, this has been the practice; "A", "B", "C" accounts are already there. We are only enforcing what departments and Mayor, Administration comes to present to us in this budget. That is all, as far as I'm concerned, what we're doing.

We're not restricting and we're not adding or subtracting from what we, we vet out and maybe, you know, address, adjust things. But, basically, what they give us, we're saying okay. We agree and, and here you go. But, you chose where you want to put your money, and we're just making sure it's held accountable; that it's being spent that way you're asking. And, I feel this is a way to make, to keep that in place.

The, the point about IFAS and KIVA and all these reporting things, which I'm not, you know, thoroughly familiar, but, basically, garbage in is garbage out. And, so who is putting the, the information in that, you print up in that report? It's the departments. So, if already people have issues and wondering is the department being account, you know, transparent and being held accountable for how they're spending their, their monies, well they're inputting that into these reports it's spitting out. And, we don't know that there's questions to ask, that something wasn't done, you know, done in the way we presented it and what have you.

So, you know, personally, I guess in the end, my, my comments are in reflection that I think this is a needed step to take in the points that Mr. Hokama had, had mentioned as in accountability, transparency. We're also holding the departments, Administration in performing with what they step up here to tell us they're going to do.

So, Chair, I just want to say thank you for the opportunity for all of us to be here and to share our thoughts about this process. And, I am thoroughly, highly in favor of the motion. Thank you.

CHAIR WHITE: Thank you, Ms. Cochran.

Ms. Crivello.

COUNCILMEMBER CRIVELLO: Thank you, Chair. I also would like to state that I support the motion to override this veto. And, I think we need to be mindful that it's an attempt, really, for Council to be able to address the budget as it comes before us.

And, I've, I have to say though, you know, throughout my months here, that working with the department has not been difficult. The, the department heads are very accommodating. And, you know, it's what was said, no other directors have come to us as far as the challenge that they probably will face with this "A", "B", "C" approach.

But, it also, when we talk about emergency, there's no question it's stated before us in Charter. It provides the, the means for us to address emergency situations with the Administration. And, I like what Mr. Hokama said about performance. And, it is in the best interest of our public that the departments be more responsive to meeting the needs of the public, if it, if it means better parks, if it means more cleanliness, or, or whatever it may be to make it worth, worthwhile. But, overall, I have to say our departments do a superb job with their employees.

So, Mr. Mayor may have his reasoning's and I do respect him for his approach to try and make it work according to what he feels. But, I feel as a Council, we went through this like Mr. Victorino said during the budget session, and we've put in some major hours to come up with what we've come up with.

So, at this time, I'd like to support our Budget Chair with his motion.

CHAIR WHITE: Thank you, Ms. Crivello.

Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair. I guess in, in my analysis, I, it's a difficult decision to make. But, if you go back in the history of the County and how it presents its budget and their performance and accountability in transparency, prior to Linda Lingle's Administration, it was "A", "B", "C" account process. And, if you compare that process to what has occurred now, you could kind of say that this is a hybrid because it is not the same accounting as it was prior to Linda Lingle. The "A", "B", "C"

accounting back then is not what it is, what we're imposing now. It's, I would say a hybrid because now you've incorporated the program budgeting along with a little bit more restrictions in terms of accountability.

When I, when I, what I mean by that is when we go through our budget, and I can only speak of my three budget sessions that I've gone through. I have noticed that when the budgets are being presented by the departments, it is presented in a program budget within that an "A", "B", "C" account. And, they're, they're testifying or they're representing that this is the monies that is going to be spent and how it's going to be spent within these categories. Okay, I take it as faith, face value and believe in that fact that that money is going to be spent the way it is, the way it was represented. Come to see that the next budget session, the money is not spent the way they had represented.

So, what Mr. Hokama has done as the Budget Chair, is basically codified, put it in law that says when you represent that this, you're going to spend a certain amount of money then that's what you're going to have to do by law. It's clearly just codifying the rules and the, and the process.

So, in my experience, I have gone through the straight out program budgeting that Linda Lingle's philosophy. I have yet to experience this hybrid approach and so I'm more than willing, open-minded to see if we can change it. It's a work in process. If there are things that we need to change to make it better, to be more efficient, to be more transparent, to be more accountability for the performance as well, then we will change it.

This is a work in process. Like any legislation, we've got to learn from our mistakes. And if we, we go through this process and we find that it doesn't work, we will fix it. So, I'm open enough to give it a try. But, if it doesn't work, I am more than definitely going to be on that, that position to change it. So, thank you, Chair.

CHAIR WHITE: Thank you. You know, Members, I think the Administration, both Mr. Baz and the Mayor, and the rest of his team, deserve a lot of credit for giving us a very good budget. And, as you all know, each year we don't make humongous changes. Now, some departments I'm sure feel like their, their adjustments were humongous but there are also departments in which we made, I believe, no changes. Their budget stood as presented.

And, you know, their job is to present the budget to us. Our job is to review it and set the budget. The, it's our fundamental responsibility to control the purse strings of the County, that's why we have the final say in the numbers placed in the budget. We

also have the final say with respect to any limitations or restrictions that we want to place in the budget.

So, I think we've done, as Mr. Hokama said, exactly what we are responsible for doing. It's also been pointed out that the, the budget is presented in these "A", "B", and "C" accounts. And, so all we're doing is saying we appreciate your presentation and now we want to hold you to it.

And, you know, I, to Mr. Guzman's and Mr. Couch's point regarding how this compares to earlier budgeting. What Mr. Couch stated about us going to the next line down is actually, what the Mayor was referring to in his piece because in the past, the limitations were on every line item, not, not in every category. So, that's where you couldn't spend any more for pencils if you had run out of your office supplies budget.

This is not what we're doing. We're doing something very different. So, when I read the various objections that the Mayor has put forth, I don't believe any of those objections hold water. Because if you look at each one of them, they're just not quite on point. His point about us doing, you know, going back to an antiquated practice that was done 20 years ago is simply a misrepresentation of the facts.

And, Mr. Arakawa, to his credit, was one of the fiscal hawks when he was in the Council. I think it could very easily be said that if you were sitting here today and there were, was a Mayor Takushi upstairs that wanted to do something, you know, a little out of sorts, well, he'd put those restrictions on very willingly. So, I, you know, I, I give him a lot of credit for coming up with a very good budget. But, he's also got to understand that there are things that have happened over the last couple of years and in his prior Administration where there have been items misspent.

And, as Mr. Couch says, maybe the, the p-card issue represented expenditures that all came out of the proper account. Well, we don't have that situation in Solid Waste. The threatened landfill closures and cutbacks in trash pickups were all driven by overspending in their "B" account by \$1.3 million by contracting for services two and three years into the future, and then coming back and saying, well we don't have any money to pay our staff. Well, that's because we have a program budget. That is a, as far as I'm concerned, it's the poster child of why this is an appropriate move, because we should not be putting ourselves in a position of having to deal with a financial crisis of the making of a department that was not operating properly and without a proper level of supervision.

So, I don't know about you guys, but I don't want our services to be cut back because we have overspent by a, a million three in our "B" accounts. I don't want to be sitting

here at the end of the year looking at a couple million or, I don't know how many millions of dollars in equipment is going to get purchased between the March, the mid-March report that we've received and the end of the fiscal year. I think it's going to be a big number because they're looking at this "A", "B", and "C" account restriction as a problem for them to do their Christmas shopping in June.

Last year, both last year and this year, we requested a list of unbudgeted expenditures on equipment. This doesn't include contracts that have been let for periods beyond the end of the fiscal year. This is just equipment. Last year, in mid-March, the equipment purchases that were unbudgeted amounted to \$256,000. By the end of the year, that had grown to over a million. This year in mid-March, we were already at 1.2 million in unbudgeted expenditures. What is it going to be at the end of the year? I'm guessing at least two but I wouldn't be shocked if it's three million.

So, the one thing that this will do, immediately, is stop the Christmas shopping at the end of the fiscal year. If somebody has saved up money in one account, they wanted to spend it somewhere else, this is going to save us some bucks by simply putting a restriction on that.

So, you know, I, I understand, I manage a hotel which is a mid-sized department here in the County. I can live with this as a manager. If I plan properly and control my expenses throughout the year, I can manage with this restriction.

The other thing we need to talk about and be reminded of is that the emergencies are only going to be emergencies at the end of the fiscal year. So, we're only talking a very short amount of time, because prior to that, let's say for the first eight months, you've got twelve months of labor expenditure, or labor money available to you.

So, what's, you don't have to call and ask us for anything if you run into an emergency. It's only going to be when you're down to the last month of the last pay period of the month in the, in June, that you're going to have to blow the whistle and say I don't know if I can do this because I may run out of money; I don't have enough money for overtime. All this is easily solvable because the way Mr. Hokama has set it up with Mr. Baz to do the non-emergency things, but it's also in the Charter that if there is an emergency that has to be dealt with, it can be dealt with in a very short amount of time.

I've said earlier that with this direct referral, I will also commit to holding a special posting for a special Council meeting the day we get the request from the Administration. That means we can do anything by simply discharging the measure

and dealing with, in a Council meeting and passing it out. That's six days. So, I'm very comfortable with the restrictions.

I know that it's not comfortable for all departments, but it's only uncomfortable for those departments who have not been, I just have to use that word again, persnickety about how they have put their budgets together. So, if you've, if you've been a little lazy in how you've put the budget together because you have the flexibility of moving money from "A" to "B", and "B" to "C", and "C" to "B", and "C" to "A", then you may have some challenges. But, again, you're not going to have those challenges until the end of the year.

So, I'm, I'm very comfortable with what Chair Hokama has led us down the path to do. You know, some of the Members, in earlier conversations, said well, this hasn't had much discussion, but I know as, as Budget Chair for two years, we talked about it a lot because this is one of those things that I have always felt the, the menu was offering way too many attractive things as we moved into the close of the fiscal year. So, with that, I also, and this won't surprise many of you, support Mr. Hokama's motion.

Is there further discussion?

Mr. Hokama.

COUNCILMEMBER HOKAMA: Just a final closing note, Chairman. And, I thank all the Members for expressing their views. I think it's very important for the community to know how their Councilors based their decisions on.

You know, from a point of personal privilege . . . how the Mayor stated his veto message. I can go through every Administration from Mayor Lingle and tell you some of the disadvantages and shortcomings of program budgeting; whether you want to talk about a unofficial moratorium; are we getting real property taxation for hotel properties in the mid-90's Council never approved; whether you be for construction of CIP facilities without Council approval and appropriation; whether you want to talk about a Makawao Highlands; whether you want to talk about a Ka Hale A Ke Ola; whether it was a grant versus a loan. I've got lists of things that I would be happy to bring up regarding the shortcomings of program budgeting without Council review or approval.

You know, so, there's no magic bullet in budgeting or financing, Mr. Chairman. There is only the integrity and confidence of our people and those that serve. That to me is one of the key areas that right now this community is looking for. I think this step will

help take those initial critical improvements to restore the confidence that we expect of our, of all our officials.

You know, I can tell you, Chairman, I take pride in, that we are part of a local government of the Counties because it is the only level of government, versus the State and the Federal government, through the last 20 years has improved in its view from the community on where they've, how they rate their governments. The Federal government is at its lowest rating ever. The State is not that far behind. They've gone down in their approval ratings. Counties and municipalities have gone slightly up in their performance and confidence of their people. It's because we get the job done and we'll do it transparently and we'll make those accountable, accountable.

So, I thank our Members for continuing the path of, what I believe is, restoring the trust. I think we are happy to see that whatever it be, I'm with, I agree with Mr. Guzman; nothing is static. Everything is continually a work of progress. And, six months from now, I hope that we can say some of these restrictions may not be needed in the future because of compliance, because of performance, and of course; one, acceptance of being responsible for actions. I think that is one thing our people want; that we take responsibility for actions. We make a lot of decisions, and a lot of times when the you know what hits the fan, everybody starts ducking and nobody wants to take responsibility. But, then they shouldn't be in those positions of authority.

So, I appreciate the Members points of view. I believe this is in the best interest of our County and our communities. And, I thank you for this opportunity.

CHAIR WHITE: Well, I want to thank you for leading us through this because I think it is an important move to provide more transparency and accountability. And I think it's something that's livable. And, I think it's, I think the Administration, although they've been objecting to what we're doing, I think it speaks volumes that Mr. Goode is the only person who's come down to, to make a presentation. And, I've not had a single individual come to tell me that their big problem with this. So, I appreciate it because I, I think we are moving in a very responsible direction.

And, I believe the people expect us to hold the Administration accountable. And, I think the Administration, in the end, is going to feel probably a little better because they'll be able to say, hey, we can't do that, we've got to stick with, you know, within the rules that the Council has set. So, I think this is a, a very healthy thing for us to do. It may provide them with a, a little bit of a headache in the short term but I really think that they will learn to live with it.

So, any further, Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you, Chair, for this opportunity. And, thank you again, Budget Chair Hokama, for your comments. I just want to know if there's anything to be of concern in regards to a comment in Mayor's letter here about this is an outdated method not considered a best practices approach to budgeting by Government Finance Officers Association, GFOA? The reason for the question is, because during bond ratings and things of that nature, is that an issue that we need to look at? I'm not sure the validity of that comment, if any of us have.

CHAIR WHITE: I, I don't believe it's a valid concern because I think that anyone who's involved in, in budgeting and bond rating will look at spending restrictions as a positive not a negative.

COUNCILMEMBER COCHRAN: Okay.

CHAIR WHITE: Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, you know, some of the things that everybody says is very important. And, as you said, you know, and I brought up too, is the fact that only Mr. Goode came up here speaks volumes that it, maybe they're not so worried about it. Or if they are, they're not willing to come up and talk about it, which I don't understand that.

So, you know, I'm all for, I, I don't think it's anymore transparent than what it is now. I'm definitely for transparency, but, you know, if, if, if we don't get the hue and cry from the people who it's affecting then no sense, you know what I mean. So, and, I agree with pretty much what everybody said, especially Mr. Guzman. It is a hybrid cause, you're right, it was line item before it became program. So, it's kind of stepping down a notch. Hopefully we don't step down further than that, back to line item cause that's crazy. And, so I can be supportive of it at this time. Thank you.

CHAIR WHITE: Now to your, your comment about transparency. This is where I see this measure as providing much more transparency. And, it has to do with the equipment shopping that goes on. Right now, yea we, we learn about it, but only after the fact. So, with this measure, if there's equipment that is necessary, they need to come to us. They need to have it presented in a public arena. Right now, there's no transparency in that process. They simply go out and buy it. And, you know, we've had big pieces of equipment in that list of, amounting to \$1.2 million; one very big piece of equipment and others that are numerous pieces of equipment. So, you know, for me, this is definitely a move to make it more transparent if we're going to have to replace things.

And, you know, I've all, I've felt for a long time that what we do here, because we're under the Sunshine Law and because of the way we operate, everything we do here is transparent. What we do on the budget is on TV; ad nauseam. I mean I, I'm sure people use it to get to sleep more than they look at it for information.

But, actions by the Administration can be done without any public notice, without any public knowledge, without any scrutiny. So, this is simply putting a level of public scrutiny and scrutiny by the Council on a process that I think has gotten a little bit out of control because it is a program budget and they can move money wherever they like.

And, I think you all may have heard the same thing I've heard, but one department head told me once, I really don't care where you put the money cause once I get the budget, I can spend it wherever I like. Well, I don't like that. And, I know if I had that, that attitude, my boss at the hotel would, wouldn't put up with it. So, I've said enough.

Mr. Victorino.

COUNCILMEMBER VICTORINO: No I think, I, I, I had a question on the word you just said, but I forgot the word so I can't even ask you what the question was. You do those, you do some of the most fantastic words, wording, and some of us--

CHAIR WHITE: Yea, just don't ask me to define it.

COUNCILMEMBER VICTORINO: That's the question, how do you define it. But, in closing I, I think I have to bring up one more point and that's very, very important. As you mentioned, and some others have mentioned, that the end is like Christmas is June, you know, I heard that terminology, Christmas in June. But, you know, I think one of the biggest factors that has predicated that is the fact that if you don't spend it, part of it is you're penalized the next year because we look at it like, hey, you didn't buy this, hey, you didn't spend this money. So, we're going to penalize and give you less. And, sometimes I wonder if, really, fiscal prudence on the departments part should be penalized, maybe we should be looking at some reward.

Now, I know in your world and in the corporate world, there's things called bonuses, and other issues that when you do a good job, and your boss is happy, and you've made what they, beyond expectations of whatever your profit goals were or whatever your sales goals were; whatever it may be, there is some kind of reward at the end. In government, really can't do that.

But, I think penalizing them has made the fear factor of if I have leftover then next year they'll give me less. I think this is one of the real challenges we face, Mr. Chair. And, I'm not knocking the system, I'm just saying it is prevalent across the board. I hear that from the departments all the time. And yet, some of them really do try to be frugal, they really do use fiscal prudence, and not expend whenever and wherever they can. So, how can we recognize that? How can we make sure that they don't feel like they're being penalized when they do a good job fiscally for us? So, let us not forget that factor.

I think this is, this is really the, the core, core behind this whole issue of "A", "B", and "C" accounts. You do a good job, maybe you stretched that dozer for another year, you say I can do it. So, the next year you come back and you say now I'm going to buy the dozer this year, and you say, but you didn't spend the money last year; sorry. Or maybe I need two dozers cause I stretched that one longer than I should have. Whatever the rationale or reason for that, that, that monies not being spent. So, again, that's something I think is important.

But, I close to say that Mr. Guzman made a good point and I've always professed this, we should check and every three years, every six months, whatever the time frame, we should go back and see how things are working instead of waiting. Like in this case, what we have to do now with our p-cards and our purchase orders have to have an audit because we waited so many years nobody looked into it. And, all of a sudden, there seems to be improprieties.

Why not check every three or five years whatever group of people are sitting in these chairs? And have them responsible to make sure; 1) it's being done right; 2) it's being done efficiently; and 3) whatever changes need to be made let's make them now and not wait till something gets out of hand. I think that's the other challenge government has always faced. We wait to be reactionary instead of proactive.

And, so, Mr. Chair, I can support what Mr. Hokama has brought forward. I think every Councilmember, including Mr. Couch, has seen the value of this. We all want to give it a chance. And, if it doesn't work, like Mr. Hokama said, in six months, he'll be right there to evaluate it; if not working, whatever changes need to be made he's willing, along with our, with our participation, make those changes. So, thank you, Chair. I think the public can feel very confident in the process we've gone through to make this a more lean, mean and efficient budget. Thank you, Chair.

CHAIR WHITE: Thank you. Members, any further comment? Seeing none, all those in favor of the motion, please say "aye".

AYES: COUNCILMEMBERS COCHRAN, COUCH,
CRIVELLO, HOKAMA, VICTORINO,
VICE-CHAIR GUZMAN, AND CHAIR WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBERS BAISA AND CARROLL.

CHAIR WHITE: Measure passes with seven "ayes", zero "noes", and two "excused"; Mr. Carroll and Ms. Baisa.

Mr. Clerk.

DEPUTY COUNTY CLERK: Mr. Chair, unless the Council would like to refer County Communication 15-187 to a Committee, it would be proper to file it at this time.

COUNCILMEMBER HOKAMA: Chairman.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA:

MOVE TO FILE COUNTY COMMUNICATION 15-187.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion by Mr. Hokama and a second by Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: No further discussion.

CHAIR WHITE: Okay, any other discussion, Members? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS COCHRAN, COUCH,
CRIVELLO, HOKAMA, VICTORINO,
VICE-CHAIR GUZMAN, AND CHAIR WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

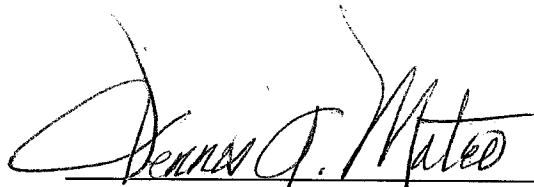
EXCUSED: COUNCILMEMBERS BAISA AND CARROLL.

CHAIR WHITE: Measure passes with seven "ayes", zero "noes", and the same two "excused".

And, with that, Members, we are adjourned. Thank you very much.

ADJOURNMENT

The special meeting of June 22, 2015 was adjourned by the Chair at 10:17 a.m.

A handwritten signature in black ink, appearing to read "Dennis A. Mateo", is written over a horizontal line.

DENNIS A. MATEO, COUNTY CLERK
COUNTY OF MAUI, STATE OF HAWAII

Public Testimony – Override of Mayor's Veto

Good Morning Council Members, my name is Christopher Fishkin.

I am here this morning to testify regarding Mayor Arakawa's line item veto of the Council's attempts to restrict the administration from transferring funds from one program to another without a Council resolution adopted by ordinance in the public view.

Council member Hokama, you have raised issues of trust and have spoken of the need for transparency in our County Government. Council Member White, your public statements have given the citizens of Maui County further reason for mistrust county officials.

The Council has knowledge of expenditures by county public officials that were not approved by the Council, and, I quote Council Member White, "even denied by the council"; upwards of 2 million dollars.

In accordance with the Maui County Charter, the budget process is a public process. The citizens have the right to know which department and which individuals are responsible for these unauthorized expenditures. I believe it is fair to ask the Council to disclose this information today. Further, the citizens of Maui County would like to know at what point did Pat Wong and Corporation Counsel become aware of these violations? and have they advised the council to enforce section 9-12 and section 13-10 of the Maui County Charter.

Section 9-12 of the Maui County Charter states that every payment made in violation of the provision of the charter shall be illegal and any officer who knowingly authorizes such payment shall be held personally liable to the County of Maui for the full amount paid. The Charter further states that any violation of the procedures for payments shall be cause for removal from office and Section 13-10 allows for the criminal penalty of up to one year in jail and fines.

Very often, too many times, and for too many years, the burden of holding this county's public officials responsible for their misdeeds have been unfairly placed upon the citizens of Maui County. While we applaud the Council's efforts to help secure accountability through this piece of legislation, as our entrusted elected officials, we feel you are also **obligated to exert your power and authority and enforce the Charter**, disclose the perpetrators and adopt the appropriate punishment for the violations you have witnessed. Clearly another rule, in and of itself, is not going to prevent further violations without proper enforcement and penalty. Director Goode is concerned about penalties that could result from necessary emergency expenditures while apparently unconcerned about the penalties for his department's already unlawful expenditures. I am presuming that Pat Wong and Corporation Counsel also clearly supports the Mayor's veto and Director Goode's public statements; both of which draw legal conclusions, and so should they even be here with the council at this hearing? This is a perfect example of why the Council must have its own legal counsel.

Citizens of Maui County request that you please disclose to the public at this meeting today the public officials that you have discovered to be in violation of Maui County Charter.

And, please inform us as to whether Corporation Counsel has advised both Director Goode and the Mayor to veto the Council's provision requiring an adopted ordinance by counsel to transfer funds from one program and account to another.

How long is Pat Wong and Corporation Counsel going to continue to preclude transparency of county officials and prevent the Council from doing their job for the citizens of Maui County?

Good morning council members, my name is Eric Poulsen, I have lived on west Maui for 22 years.

I am enjoying a three day, fathers day weekend to testify regarding mayor Arakawa's recent line item veto of this councils attempt to restrict the administration from moving public funds from one program to another without first getting our permission.

My six year old son played his first season of little league this year. After a few games I began to wonder why on earth the facilities were in such very poor condition. The more I began to dig the stranger things got. Primarily the lack of information that is readily available to a concerned citizen of west Maui. I was hoping to find out how much money is in the fund, where the money is being spent and the way that the fund gets replenished.

At this point I have come to understand that all new subdivisions must pay a park fee in the tens of thousands of dollars or donate park land for public use. I can assure when I drive home from this meeting I will go through our tunnel and then pass all of the supposed agricultural subdivisions Ukumahame, Olowalu, Launiopoko, and Puunoa. I know that many of my son's teammates, and my friends, live in these subdivisions and share our substandard recreation facilities. I also know that the very first park I will see on my way home is in south Lahaina, near my home. This begs the question, if there aren't parks, where is the money?

I have tried for over a month to obtain this information from the administration. Specifically, what are the current park fees for a developed lot?

Do all subdivisions and all of the new permitted homes pay there fair share? Or, is there exemptions for the developers to manipulate?

Has any money from the park fund been shifted to unauthorized expenditures? If so, how much?

Who can I contact on this council to obtain this information, because surely it is not being made available from the department.

I will also hope that whomever you direct me to will not be influenced by an office who seems to have the midas touch every time they go to Vegas. I would have a very hard time trusting someone who claims they have won over a million dollars in the last 30 months and still goes to work for our county. I believe that more light should be brought to Mr Wongs financial affairs. Exactly like the budget violations that have happened, and are probably being planned to continue, something just doesn't add up.